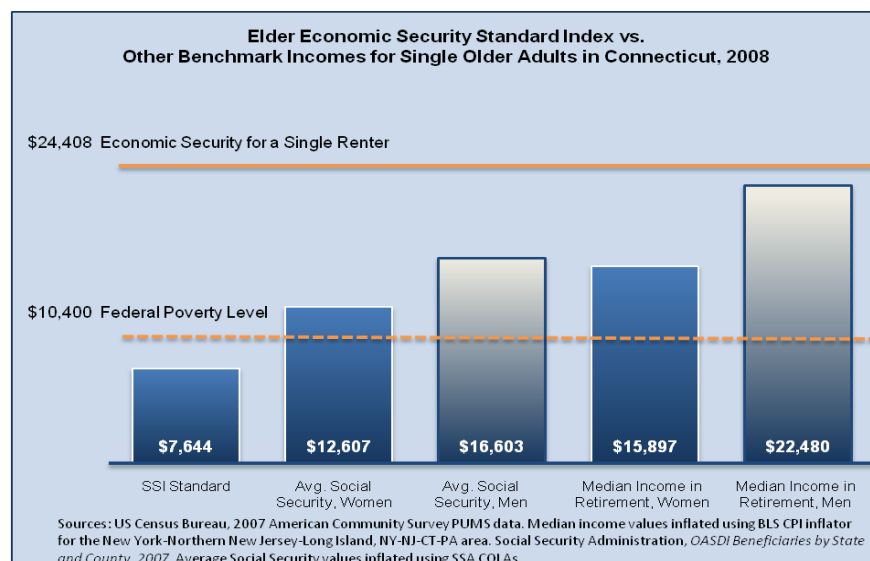




At A Glance: Connecticut's Women in Retirement

The wage gap -- where women earn only about 77 cents for every dollar earned by a man for comparable work—results in a lifetime of losses for women. In addition, time away from the workplace due to family obligations and significantly fewer assets among women, amount to a lifetime economic deficit which leaves Connecticut women unable to afford life's basic necessities in retirement. Women more often rely solely upon Social Security as their retirement income and as the figure below shows, the average Social Security payment for women in Connecticut barely rises above the Federal Poverty Level. The chart below compares older women's and men's living situations. Typically, older women in Connecticut do not have nearly enough to make ends meet. This is true whether they rent or own their homes. The median retirement income of **Connecticut's single older women falls short of economic security for renters by nearly \$7,200 annually, even in Connecticut's least expensive communities.** In the state's most expensive communities, median retirement income of single older women leaves them nearly \$11,700 short of meeting basic expenses each year.



Key Factors Affecting Women's Economic Security in Retirement

- Over a lifetime, women earn 38% of what men earn nationally
- Women are concentrated and recruited to jobs without pensions
- Women tend to live longer and need their money to go further
- Financial education programs tend to target high earning male

WHAT IS THE ELDER ECONOMIC SECURITY STANDARD™ INDEX?

Developed by the Gerontology Institute at the University of Massachusetts Boston and Wider Opportunities for Women, the Elder Economic Security Standard™ Index is a new geographically-based measure of income adequacy for elders that incorporates the cost of housing, food, health care, transportation and home and community-based long-term care services.



The Elder Economic Security Initiative™ (Initiative) is a national Initiative led by Wider Opportunities for Women with a multi-pronged statewide approach to advocating for elder economic security carried out by lead state partners. The Initiative includes policy advocacy, which focuses on improving local, state, and national policy affecting women and their families. **State and federal policy objectives will include, but are not limited to:**

State Retirement Income Policy Solutions

- **Enact an automatic savings program for workers** without access to employer-sponsored retirement plans. Senate Bill 1, An Act Concerning Economic Security for Connecticut Families, would establish retirement investment plans for self employed individuals, small employers, and non-profit organizations. Notably, only 50% of Connecticut workers are offered an employer-sponsored retirement plan. This bill is designed to promote retirement savings among small, private sector workers who less often have access to such plans. Women are disproportionately represented in these three sectors.
- **Create equity in the income standard** for adults receiving Medicaid and alleviate the administrative burdens associated with Medicaid “spend down” for many low-income older adults and people with disabilities. This can be done by establishing a special income disregard applicable only to “aged, blind or disabled individuals”.
- **Raise incomes for older adults.** Connecticut should increase the State Supplement Program (SSP). Connecticut could increase income for the poorest older adults who are struggling to meet living expenses by raising benefit levels in the state supplement also known as “old age assistance.” Increasing the state SSP would add income and provide automatic Medicaid eligibility to thousands of low-income elders.
- **Encourage retirement planning.** As recommended in the state’s Long-Term Care Needs Assessment, Connecticut should embark on an educational campaign encouraging individuals to plan for their and their families’ future long-term care needs.

National Retirement Income Policy Solutions

- **Enforce current anti-discrimination laws.** The Lilly Ledbetter Fair Pay Act established the 180-day statute of limitations for filing an equal-pay lawsuit regarding pay discrimination resets with each new discriminatory paycheck and does not end 180 days after the first check is dispersed. By enforcing anti-discrimination laws such as this one, women move closer toward equal pay for equal work.
- **Increase the survivor portion of Social Security.** Social Security provides 58% of the income of widows 65 and over, and widow’s incomes drop substantially after the loss of their spouse. An increase in the survivor portion of Social Security will help ensure that widows are not hurt financially by the loss of their spouse.
- **Employee financed long-term care.** A national long-term care insurance program would allow employees to agree to a voluntary monthly payroll deduction for a minimum of five years for long-term care services during retirement. Long-term care adds thousands of dollars to elder’s medical costs.
- **Increase federal housing supports.** Housing is the number one cost for older adults, and supports such as property tax reform will help alleviate the burden of housing costs for retired women.